United Nations

Report of the Joint Inspection Unit for 2006 and programme of work for 2007

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Mission statement

As the only independent external oversight body of the United Nations system mandated to conduct evaluations, inspections and investigations system-wide, the Joint Inspection Unit aims:

(a) To assist the legislative organs of the participating organizations in meeting their governance responsibilities in respect of their oversight function concerning management by the secretariats of human, financial and other resources;

(b) To help improve the efficiency and effectiveness of the respective secretariats in achieving the legislative mandates and the mission objectives established for the organizations;

(c) To promote greater coordination between the organizations of the United Nations system;

(d) To identify best practices, propose benchmarks and facilitate information-sharing throughout the system.

Preface by the Chairperson

In accordance with article 10, paragraph 1, of the statute of the Joint Inspection Unit, I am pleased to submit this annual report, presenting an account of the activities of the Unit for the period from 1 January to 31 December 2006 and a description of its programme of work for the current year.

In response to requests by Member States, and their interest in obtaining the programme of work of the Joint Inspection Unit by the first resumed session of the General Assembly, in March 2006, the Unit prepared a conference room paper containing its 2006 programme of work. Member States expressed their appreciation for the advance document and requested that the Unit continue to provide this information in an earlier time frame. In response to that request, and in accordance with paragraph 3 of General Assembly resolution 61/238, the Unit is pleased to present its programme of work for 2007 in chapter II of the present report. In order to ensure its ability to provide this information on a regular basis, the Unit has advanced its own annual planning process. The change has resulted in a number of benefits for the Unit, including better coordination and improved information-sharing with other oversight bodies.

The issue of "oversight" was a dominant theme in 2006. As the Unit completed its *Oversight lacunae* in the United Nations system report (JIU/REP/2006/2), PricewaterhouseCoopers began its work on a review of governance and oversight in the United Nations system. That review culminated in the issuance of the report of the Independent Steering Committee. The Office of Internal Oversight also presented its report on strengthening internal oversight in the United Nations. In addition, reports on this subject were issued by the Secretary-General and by the Advisory Committee on Administrative and Budgetary Questions, and the comments of the Joint Inspection Unit on the Independent Steering Committee's report were also published. The sheer volume of material was overwhelming for all concerned. In an effort to assist Member States to assimilate all this information, the Unit prepared a slide presentation and conducted briefings, which helped put issues and concepts into perspective, including the different philosophies of the various actors. The Unit appreciates the generous support of Member States for this initiative.

As in 2006, the 2007 programme of work continues to maintain the balance of system-wide, single and multi-agency reports, with 7 of the 11 new projects being system-wide or multi-agency in nature. Once again, emphasis has been placed on management and efficiency issues.

Our annual report and programme of work for 2007 is more comprehensive this year, including more reporting and information on the acceptance and implementation of our recommendations. This year the Unit began including in its reports an impact statement for each of its recommendations, and has carried this through to our recommendations tracking sheet. These first steps are a prerequisite for reporting on the actual impact of our recommendations in future annual reports.

The Joint Inspection Unit wishes to extend its sincere appreciation to the General Assembly for its continuing support for the Unit, as expressed in Assembly resolutions 60/238 and 61/258. We look forward to a continued productive working relationship with the organizations and bodies of the United Nations system.

(*Signed*) M. Deborah **Wynes**
Chairperson

Geneva, 23 January 2007

Chapter I
Annual report for 2006

A. Reform of the Joint Inspection Unit

1. The year 2006 was marked by a growing interest in, and intensive discussions of, governance and oversight issues in the United Nations system. The Joint Inspection Unit (JIU) contributed to those discussions by providing its own comments on the report of the Steering Committee on the Comprehensive Review of Governance and Oversight within the United Nations, its Funds, Programmes and Specialized Agencies (A/60/1004). The Unit used this opportunity to re-emphasize that oversight is ultimately a function of Member States and that it is a holistic and unitary function that goes substantially beyond internal audit. While the Steering Committee in its report (A/60/883 and Add.1 and 2 and Add.1/Corr.1) had questioned the continued relevance of JIU and had recommended that it should be discontinued (A/60/883/Add.2, oversight recommendation 4), the Unit underlined its unique position as the only system-wide external oversight body, reflecting also the unique character of the United Nations system itself, and pointed out its comparative advantage for reviewing issues of a system-wide or inter-agency nature. The Unit also provided substantive comments on strengthening the Office of Internal Oversight Services (OIOS), which are similar to the proposals of OIOS itself (A/60/901).

2. The Unit is pleased that the General Assembly, in its resolution 61/238, has expressed continued support for JIU and its reform efforts.

3. Further steps have been taken to strengthen the Unit's follow-up system. Based on the agreed categories and definitions of intended impact (see A/61/34, para. 29) the Unit decided to disclose the intended impact of each recommendation in the text of its reports. In addition, each report now contains a table entitled "Overview on action to be taken by participating organizations on JIU recommendations", which indicates the relevance of each recommendation to each participating organization and thus provides a clear basis for monitoring the acceptance and implementation of recommendations. This is an essential prerequisite for analysis and structured reporting on acceptance and implementation of recommendations and on impact intended and achieved.

4. The Unit has conducted "management assessments" of most participating organizations. These assessments provide a detailed overview of each organization in the form of an organizational profile, highlighting potentially critical issues in key areas (planning, programming and budgeting; monitoring, evaluation and reporting; organizational structure and executive management; nature of operations and activities; funding/resources; human resources management; information management; safety and security management; other administrative and support services; governance and oversight). During 2006, 6 additional assessments were completed, bringing the total number to 20. It is envisaged that the remaining assessments will be completed in 2007. The management assessments are internal tools, which continue to be used as an input in the preparation of the annual programme of work.

5. In December 2006, in line with the Unit's own recommendations on multilingualism, the JIU website (www.unjiu.org) was re-launched; it is now

available in all six official languages. The availability of JIU reports in all languages on its website will, hopefully, reduce the need to distribute printed copies.

6. As part of a revamped Intranet, the Unit is creating an "electronic documentation and information centre", which contains hyperlinks to key documents from each participating organization. The Unit now has access to the Intranets of 17 participating organizations, which facilitates information-gathering, in particular at the preliminary desk review stage, and reduces the workload for the organizations concerned.

7. The Unit's reform efforts in 2006 also focused on improving working methods, tools and procedures. The Unit has adopted a harmonized report format, including a report template, which is expected to make reports more reader-friendly and concise, facilitate preparation of reports, ensure compliance with standard requirements for official documents and limit time and resources needed for the editing and finalization of reports. Other templates have been developed or enhanced with a view to ensuring consistency in format, promoting a corporate image of documents and reducing processing times (templates for questionnaires, interview guides, interview notes, management assessments, transmittal letters, etc.). All these templates will be used, taking fully into account the specifics of each project.

B. Implementation of the programme of work for 2006

8. The programme of work for 2006, which was adopted by JIU at its winter session in February 2006 (see A/61/34, chap. II), contained 11 reviews. During the course of the year, an additional review, entitled "Review of the World Meteorological Organization working capital fund", was added at the request of the governing body of the World Meteorological Organization (WMO).

9. In addition, the Unit continued working on seven projects carried over from previous programmes of work, four of which were completed during the course of 2006. The other three are expected to be finalized in the first quarter of 2007.

10. By the end of 2006, four of the 2006 reviews were completed and the following reports or notes issued: JIU/REP/2006/3, *Follow-up to the management review of the Office of the United Nations High Commissioner for Human Rights*; JIU/REP/2006/6, *Results-based management in the United Nations in the context of the reform process*; JIU/REP/2006/7, *Staff mobility in the United Nations*; and JIU/NOTE/2006/1, *Goodwill Ambassadors in the United Nations system*.

11. In addition, JIU provided the General Assembly with detailed comments on the report of the Steering Committee on the Comprehensive Review of Governance and Oversight within the United Nations and its Funds, Programmes and Specialized Agencies (A/60/1004).

12. Another project being carried out under the 2006 work programme, entitled "Age structure of human resources in the organizations of the United Nations system", is at an advanced stage, with the draft report circulated to participating organizations for comments. Most of the remaining projects for 2006 are expected to be completed during the second quarter of 2007.

13. In its annual report for 2004 (A/60/34), the Unit brought to the attention of the General Assembly the difficulties and delays that it had encountered in obtaining visas for official travel of some of its members. In its resolution 60/258, the Assembly urged all host countries to facilitate prompt access for inspectors to all offices of participating organizations. Regrettably, in 2006, the Unit again faced instances where visas required for official travel were not issued on time and, consequently, scheduled missions had to be postponed or cancelled. The Unit will look into this issue in the context of a review planned for 2007.

C. Reports issued in 2006

14. In 2006, the Unit issued seven reports and one note. Of these, four were of a system-wide nature, while the other four concerned the United Nations alone. These reports and the note contained a total of 92 recommendations, aimed primarily at management improvement through enhanced efficiency (30 per cent) and effectiveness (24 per cent), and at enhanced coordination and cooperation between participating organizations (15 per cent).

15. JIU/REP/2006/1, *Evaluation of results-based budgeting in peacekeeping operations*. The General Assembly, in its resolution 57/290 B, requested JIU to submit an evaluation of the implementation of results-based budgeting in peacekeeping operations to the Assembly at its sixtieth session. In preparing the report, the Unit applied the benchmarking framework that it had developed in its 2004 series of reports for results-based management. The report contains 17 recommendations on issues such as planning, programming, budgeting, monitoring, evaluation and reporting, as well as on delegation of authority and accountability. It includes an analysis of the current planning process used in peacekeeping operations and calls for specific, measurable, attainable, relevant and time-bound (SMART) mandates using the results-based management framework.

16. The recommendations of JIU include the need for the Secretary-General to develop a strategy for implementing results-based management as well as a concrete proposal to assist the Security Council in adopting coherent mandates and objectives for peacekeeping operations and the provision of related resources for their actual implementation. They also call for revisiting the recommendations contained in the report of the Panel on United Nations Peace Operations (the Brahimi report — A/55/305-S/2000/809). Of particular importance is the recommendation that the Secretary-General, in his capacity as Chairman of the United Nations System Chief Executives Board for Coordination (CEB), lead the preparation of an institutional framework within CEB, proposing the operational doctrine, road map, rules of engagement and guidelines for United Nations system involvement in integrated peace missions. The report is expected to be considered by the General Assembly at its second resumed sixty-first session.

17. JIU/REP/2006/2, *Oversight lacunae in the United Nations system*. The report examines the role, responsibilities and functions of the external and internal oversight bodies in the United Nations system. The report highlights the point that oversight is ultimately the function of Member States and that it is a holistic and unitary function that goes substantially beyond internal audit. The report's recommendations are designed to enfranchise Member States to carry out that crucial function.

18. The report recommends, inter alia: the establishment of an independent external "oversight board", analogous to the envisaged United Nations Independent Audit Advisory Committee, but composed of expert members nominated and elected by Member States to represent their collective interests; peer review of the Advisory Committee on Administrative and Budgetary Questions, the International Civil Service Commission and JIU; the consolidation of audit, inspection, investigation and evaluation functions into a single office under the head of internal oversight reporting directly to the executive head; the establishment of a minimum in-house capacity for investigations; adequate budgetary independence for the external and internal oversight bodies; financial disclosure statements for all staff and elected officials at the D-1 level and above; and term limits for external auditors and for the heads of internal oversight, with no expectation of employment within the same United Nations organization at the end of the term. The General Assembly took note of the report at its sixty-first session in the context of the governance and oversight agenda items.

19. JIU/REP/2006/3, *Follow-up to the management review of the Office of the United Nations High Commissioner for Human Rights*. In 2003, JIU, in response to a request by the Commission on Human Rights (resolution 2002/80), prepared a report, *Management review of the Office of the United Nations High Commissioner for Human Rights* (JIU/REP/2003/6), which highlighted several issues related to recruitment policies and the composition of the staff of the Office. The Commission considered the report at its sixtieth session and requested JIU to further assist it in monitoring systematically the implementation of its relevant decisions and to submit a follow-up comprehensive review, containing any concrete proposals for corrective action, to the Commission and to the General Assembly.

20. The current report analyses the implementation of the 10 recommendations made in JIU/REP/2003/6, showing that progress has been made in the implementation of some of them. The report notes, however, that the imbalance in the geographical distribution of the staff has not yet been dealt with in a sufficiently vigorous manner. In February 2006, the High Commissioner put in place an action plan that deals, among other things, with achieving a more balanced geographical distribution of the staff of the Office; however, the results of this action plan will only begin to be seen from the end of 2006. The inspectors point out that the current composition of the staff could result in diminishing the effectiveness of the work of the Office if it is perceived to be culturally biased and unrepresentative of the United Nations as a whole.

21. Taking into consideration General Assembly resolution 60/251, in which the Assembly decided to establish the Human Rights Council in replacement of the Commission on Human Rights and decided that the Council should assume the role and responsibilities of the Commission relating to the work of the Office of the High Commissioner, the inspectors presented the report to the Council at its second session in 2006. The Assembly considered the report at its sixty-first session and, in resolution 61/159, requested JIU to assist the Human Rights Council in monitoring systematically the implementation of that resolution and to follow up on the implementation of the recommendations contained in the JIU report.

22. JIU/REP/2006/4, *A second review of the implementation of headquarters agreements concluded by United Nations system organizations: provision of headquarters premises and other facilities by host countries*. Following the initial

JIU report on headquarters agreements, which focused on human resources issues affecting staff (JIU/REP/2004/2), the objective of the second review was to contribute to effective and consistent practices and policies in the provision of headquarters premises and other facilities throughout the United Nations system.

23. The report concludes that the headquarters agreements are, more or less, identical in terms of structure and content, and that there are generally no concerns regarding the texts of these agreements. However, there are concerns about the efficiency and adequacy of implementation and interpretation of certain provisions of the agreements in some host countries. Moreover, given the significant economic and other benefits that host countries enjoy from the presence of the headquarters of United Nations system organizations, the report recommends that more generous facilities should be granted in the acquisition, provision and refurbishment of such headquarters premises.

24. The report highlights the need to foster good relations with host countries and to establish formal forums to ensure dialogue in this regard; recommends the establishment of mechanisms to ensure funding for major repairs; reiterates the importance of the timely issuance of visas for staff and officials travelling on United Nations business; and reviews security issues in light of the headquarters Minimum Operating Security Standards. The report is expected to be considered by the General Assembly in 2007.

25. JIU/REP/2006/5, *Towards a United Nations humanitarian assistance programme for disaster response and reduction: lessons learned from the Indian Ocean tsunami disaster*. The objective of this report was to strengthen the capacity of the United Nations system to coordinate and support humanitarian assistance for disaster reduction and response through the integration of programme, resource management and coordination and the streamlining and standardization of operational, administrative and financial practices. In the context of the Indian Ocean tsunami disaster and the launching of the Hyogo Framework,[1] the report examined the principles and policies of the current humanitarian assistance system, the governance and management framework and common support services and resource mobilization mechanisms. The report put forward 17 recommendations aimed at enhancing the effectiveness of the United Nations humanitarian assistance system through the establishment of a coherent governance and management framework, as well as the dissemination of best practices, improved coordination, greater efficiency and enhanced accountability of resource use throughout the entire disaster management process, from relief to recovery and reconstruction. The report is expected to be considered by the Economic and Social Council and the General Assembly in 2007.

26. JIU/REP/2006/6, *Results-based management in the United Nations in the context of the reform process*. The report reviews the evolution of the results-based management approach and its implementation in the United Nations and contains 18 recommendations on issues such as the programme planning and budgeting processes, evaluation, oversight and performance management. The inspectors recommend, inter alia, that new reports on reform or management processes be

[1] The Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters (A/CONF.206/6 and Corr.1, chap. I, resolution 2), adopted by the World Conference on Disaster Reduction held at Kobe, Hyogo, Japan, 18-22 January 2005 and endorsed by the General Assembly in its resolution 60/195.

accompanied by an evaluation of the implementation and impact of previous reform and management processes and that the Secretary-General frame his reform proposals within the approved benchmarking framework for results-based management.

27. The inspectors also recommend that the Secretary-General provide clear definitions of results-based management concepts and techniques, including by harmonizing terminology and adapting this management approach to the business operations of the United Nations. The report recommends that the Secretary-General, in his capacity as Chairman of CEB, discuss the preparation of an institutional framework within CEB, proposing an operational doctrine, road map, rules of engagement and guidelines for United Nations system involvement in cooperation for development. The report is expected to be considered by the General Assembly at the second part of its resumed sixty-first session.

28. JIU/REP/2006/7, *Staff mobility in the United Nations*. The report aims at providing the General Assembly with an independent, external assessment of the viability, usefulness, cost-effectiveness and impact of the current United Nations mobility policy in the light of the principles and goals stated by the Secretary-General and the related policy directives issued by the General Assembly.

29. The General Assembly, in several resolutions (51/226, 53/221, 55/258, 57/305 and 59/266), has requested the Secretary-General to give full consideration to the need for greater mobility in the context of human resources planning and to establish mechanisms to achieve, and to implement a policy of enhanced mobility across functions, departments and duty stations.

30. The report recognizes that staff mobility is a crucial element for effective human resources management and that the Organization is in need of an enhanced mobility system to develop its activities properly and to adapt its programmes in a flexible and efficient manner to the constantly changing environment. The report highlights that mobility is also a critical factor for staff members since it has a major impact on their professional and personal lives. A viable mobility policy must therefore match the organizational requirements with those of the staff; any imbalance in this regard may lead to failure. The inspectors further point out that other aspects need to be taken into account, in particular the need for specialization, the preservation of institutional memory and the costs involved. The report recommends resolving the challenges and obstacles identified before progressing with the implementation of the final phase of the mobility policy. The report is being submitted to the General Assembly at its sixty-first resumed session.

31. JIU/NOTE/2006/1, *Goodwill Ambassadors in the United Nations system*. The review covered the 16 organizations of the United Nations system that have Goodwill Ambassador programmes in place, including most funds and programmes and four of the specialized agencies. The review aimed at assessing, in the light of the proliferation of Goodwill Ambassadors, how effectively such programmes are managed, determining the level of resources needed to meet established objectives and identifying and disseminating best practices.

32. The review confirmed the valuable contribution of these talented people to the aims of the United Nations. It also acknowledged that the issuance of guidelines for the designation of Goodwill Ambassadors and Messengers of Peace constituted an

important step towards harmonizing the various programmes, serving as a baseline for many organizations to develop their own more detailed guidelines.

33. The review nevertheless found that there are too many (more than 400) Goodwill Ambassadors, under numerous different titles and categories, in the United Nations system. Not all of them are as well known and active, highly committed and available as is to be expected. Their terms of service are not limited, which would prevent inevitable fatigue and weariness, while diversity, both in terms of individual profiles and of geographical and cultural regions, is not always ensured, limiting their ability to reach out to all types of audiences. In addition, since in some instances celebrities defend the same or similar causes in different organizations, their work may be duplicative and their messages blurred. The review revealed that more focus is needed to raise the profile of the programmes and that indicators of success as well as monitoring and reporting systems are required to effectively measure impact. Better coordination among United Nations organizations should be achieved through the exchange of experiences and the organization of joint activities.

D. Follow-up to recommendations

34. The General Assembly, in its resolution 60/258, requested the Unit to continue to enhance its dialogue with participating organizations and thereby strengthen the follow-up on implementation of its recommendations. The Assembly also requested the Unit to include in future annual reports more information on the impact of full implementation of its recommendations. Accordingly, during 2006, the Unit further strengthened its system of follow-up to its recommendations. It has developed an enhanced matrix ("recommendations tracking sheet"), containing the text of each recommendation issued and indicating its intended impact. Participating organizations are requested to indicate the status of acceptance (accepted/approved; not accepted; under consideration), the status of implementation (not started; in progress; implemented) and the achievement of impact (achieved; partially achieved; not achieved). The revised matrix is expected to facilitate reporting by participating organizations on recommendations and to enhance the quality of information obtained.

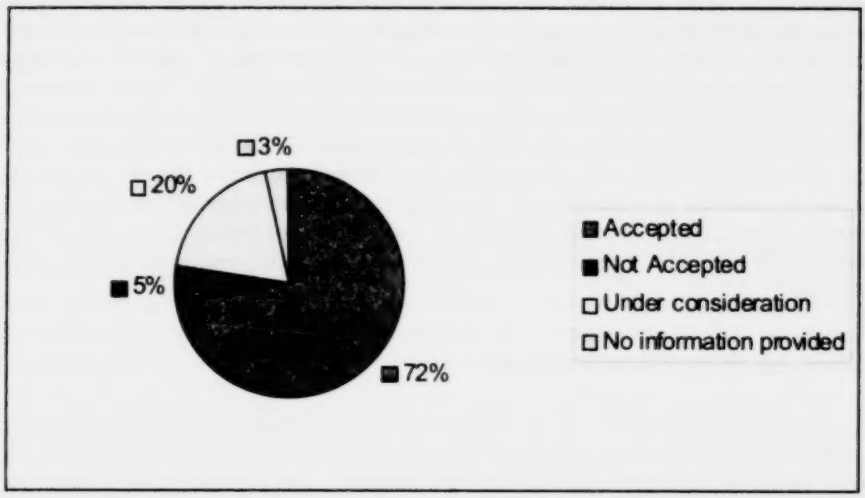
35. In October 2006, the JIU secretariat, referring to resolution 60/258, requested all 24 participating organizations to provide updated information on the status of the implementation of recommendations contained in JIU reports issued in 2004 and 2005. At the time of the writing of the present report, the secretariat has received information, albeit sometimes incomplete, from 20 out of the 24 participating organizations.

Single-agency reports

36. An analysis of available data for reports addressed to only one organization ("single-agency reports") showed that the overall acceptance rates for the recommendations contained in the nine such reports and notes issued during 2004 and 2005 had reached 72 per cent by the end of 2006. This can be considered a satisfactory level, taking into account that 20 per cent of recommendations were still under consideration by the respective governing bodies or by executive management. Only 5 per cent of all recommendations were not approved or

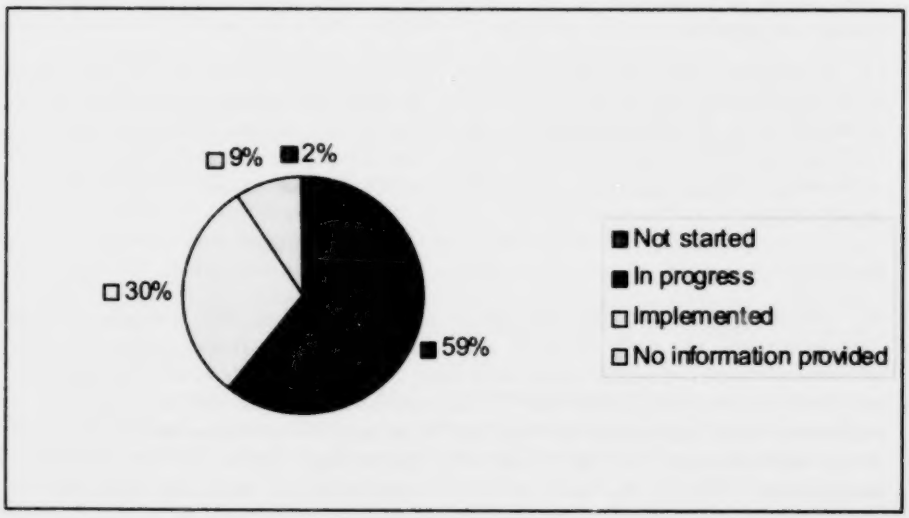
accepted; no information on acceptance was available for 3 per cent of the recommendations.

Figure 1
Acceptance rate (single-agency reports)



37. Concerning implementation, the analysis shows that 30 per cent of the approved/accepted recommendations had been implemented by the end of 2006, with implementation in progress for 59 per cent. In 2 per cent of cases, implementation had not yet started. No information on the status of implementation has been received for 9 per cent of the accepted recommendations.

Figure 2
Implementation rate (single-agency reports)



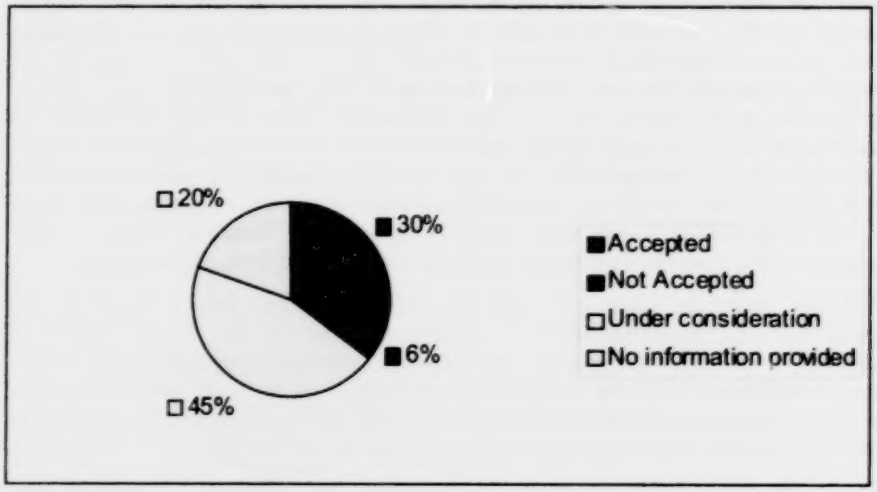
System-wide reports

38. During 2004 and 2005, JIU issued 10 reports and notes of a system-wide nature or addressed to several organizations ("system-wide reports" and "multi-agency reports"). In order to be able to determine acceptance and implementation rates for recommendations contained in such reports, the Unit first determined which recommendations were relevant for which of the participating organizations. In its most recent reports, the Unit has introduced a table entitled "Overview on action to be taken by participating organizations on JIU recommendations", which identifies those recommendations relevant for each organization, specifying whether they require a decision by the organization's legislative body or can be acted upon by the organization's executive head. Organizations therefore have a clear understanding, from the very outset, of the action expected from each of them.

39. The overview table provides the reference point for determining the acceptance and implementation of recommendations. Based on the responses received from the participating organizations concerned, as contained in the recommendations tracking sheet, the JIU secretariat calculates for each recommendation the overall acceptance rate. The same methodology is applied to determine overall implementation rates for each recommendation.

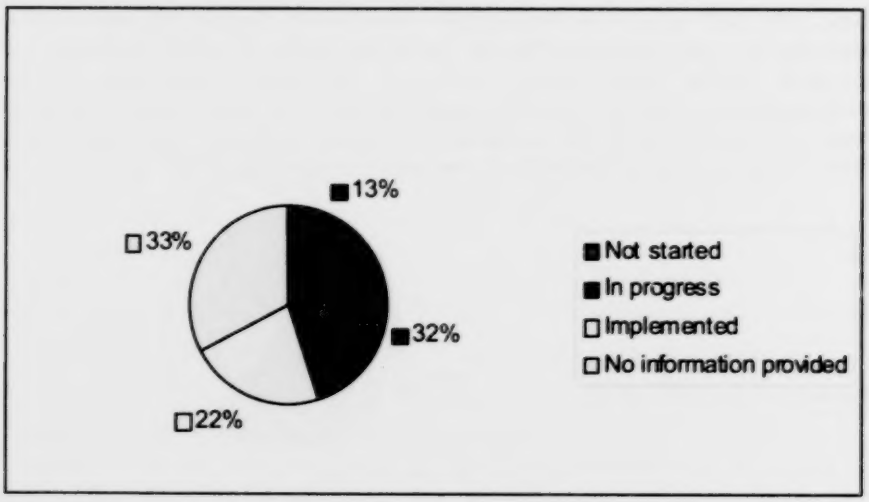
40. At the end of 2006, reports issued in 2004 and 2005 showed an acceptance rate of 30 per cent, while 6 per cent of the 80 recommendations issued were not approved or accepted. As many as 45 per cent of the recommendations made in 2004 and 2005 were still under consideration by some or all of the governing bodies at the end of 2006, while some had not even reached the governing body for consideration. This situation may be illustrated by two examples: the 2004 report, *Harmonization of the conditions of travel throughout the United Nations system* (JIU/REP/2004/10), contained 12 recommendations, three of which were addressed to the General Assembly and were still under consideration at the time of writing. Several reports issued in 2005, which are of relevance to the World Food Programme (WFP), will be considered by the Executive Board of WFP only in February 2007. In the case of those participating organizations whose governing bodies meet only once a year, it may take a considerable time for JIU reports to be submitted to, and considered by, the governing body. In some instances, the governing bodies, after having considered the report, took note of the recommendations, without explicitly endorsing them. In about 20 per cent of all cases, no information on the acceptance of recommendations was forthcoming. These factors need to be taken into account when interpreting acceptance rates.

Figure 3
Acceptance rate (system-wide/multi-agency reports)



41. As far as implementation of accepted/approved recommendations in system-wide or multi-agency reports is concerned, information received so far indicates that overall, 22 per cent of recommendations had been implemented by the end of 2006, while implementation was in progress for 32 per cent. In 13 per cent of all cases, implementation of accepted/approved recommendations had not yet begun. No information on implementation has been received for the remaining 33 per cent.

Figure 4
Implementation rate (system-wide/multi-agency reports)



42. Given that some of the reports issued in 2004 and 2005 have only recently been considered by governing bodies, or have yet to be considered, it is not surprising that the implementation rates at this stage are relatively low. The Unit expects that implementation rates will continuously improve over time.

Impact

43. As reported in the Unit's annual report for 2005, the Unit has defined eight different impact categories in order to better determine and report on the impact of its recommendations. In 2006, recommendations continued to focus on management improvement through enhanced effectiveness and efficiency. For the recommendations contained in the reports and notes issued in 2004, 2005 and 2006, the intended impact was as follows:

	Number of recommendations			*Percentage*		
Impact categories	*2004*	*2005*	*2006*	*2004*	*2005*	*2006*
Enhanced effectiveness	11	19	22	17.8	15.8	23.9
Enhanced efficiency	22	39	28	35.5	32.5	30.4
Financial savings	0	1	1	0	0.8	1.1
Enhanced controls and compliance	2	18	13	3.2	15.0	14.1
Dissemination of best practices	18	18	8	29.0	15.0	8.7
Enhanced coordination and cooperation	7	18	14	11.3	15.0	15.2
Enhanced accountability	2	2	6	3.2	1.7	6.5
Other	0	5	0	0	4.2	0
Total	**62**	**120**	**92**	**100.0**	**100.0**	**100.0**

44. Given the implementation scenarios outlined above, information available on impact achieved is very limited at this stage and does not yet allow for drawing meaningful conclusions.

Expected savings

45. In its 2004 report, *Procurement practices within the United Nations system* (JIU/REP/2004/9), the Unit recommended that the Secretary-General undertake a review of the feasibility and efficiency benefits of strengthening collaboration between the United Nations Office for Project Services procurement service and the Inter-Agency Procurement Services Office, including the option of merging the two entities. The Unit estimated that a merger could result in recurrent savings, in terms of reduced staff and non-staff costs, of at least $1.6 million per biennium. In its report to the Executive Board of the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA) (DP/2007/12) the Executive Director of the Office for Project Services stated that the business case for such a merger is both consistent with the objectives of United Nations management and procurement reforms and a logical convergence of complementary skills, resources and services. The Administrator of UNDP is currently undertaking a study on the matter with the intention of presenting it to the Executive Board in the near future. The Unit is pleased that the option of a merger is supported by the

Office for Project Services and is being seriously explored by UNDP and hopes that the potential savings from such a merger will be fully realized.

46. In its 2006 note *Goodwill Ambassadors in the United Nations system* (JIU/NOTE/2006/1), the Unit recommended that agencies encourage self-financing by Goodwill Ambassadors of travel-related expenditures, as is already the practice in the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Educational, Scientific and Cultural Organization (UNESCO), and promote other no-cost arrangements, as done by the Food and Agriculture Organization of the United Nations (FAO). The inspectors anticipate that the self-financing of the travel of Goodwill Ambassadors would generate recurrent savings of at least $200,000 per biennium for the United Nations Children's Fund (UNICEF) alone.

Examples of impact

47. Recommendations often take time to take effect, as is shown by the following examples. In 2000, 2002 and 2004, JIU issued three reports on the administration of justice and its reform (JIU/REP/2000/1, JIU/REP/2002/5 and JIU/REP/2004/3). In those reports the Unit recommended, inter alia: the creation of an "Office for the Settlement of Disputes and the Administration of Justice"; the elimination of present restrictions on the authority of the United Nations Administrative Tribunal; the establishment of "Higher Appeal Instances"; and proper legal advice and representation for staff members. The report of the Redesign Panel on the United Nations system of administration of justice, submitted to the General Assembly on 28 July 2006 (A/61/205), called for a new, redesigned system of internal justice. In doing so, the Panel incorporated most of the recommendations contained in the above-mentioned reports of JIU, a fact which has been brought to the attention of the Panel by some interested parties. While the report of the Redesign Panel did not make explicit reference to previous JIU reports, the Unit is pleased to see its recommendations corroborated by another expert body and trusts that they will have an effect on the overdue reform of internal justice.

48. In its 2004 series of reports on results-based management in organizations of the United Nations system (JIU/REP/2004/6-8), the Unit developed a benchmarking framework, which covers a comprehensive implementation of results-based management. This framework was endorsed by the General Assembly at the recommendation of the Committee for Programme and Coordination (see resolution 60/257). Various bodies have recently emphasized the importance of strengthening results-based management. The Steering Committee on the Comprehensive Review of Governance and Oversight, in its recommendations on governance, recommended "strengthening results-based management in budgets and reporting". The Advisory Committee on Administrative and Budgetary Questions, in its report on the comprehensive review on governance and oversight within the United Nations and its funds, programmes and specialized agencies (A/61/605), stated that further concrete measures are required to strengthen results-based management at all levels in the United Nations, and recommended that the study on results-based management proposed by the Steering Committee should be undertaken using expertise from within the United Nations system. The General Assembly, in its resolution 61/238, endorsed the conclusions and recommendations of the Advisory Committee and requested the Secretary-General to submit a report on results-based management not later than by the end of its sixty-first session. The Unit is pleased

to see the importance of results-based management confirmed, and is convinced that its benchmarking framework can serve as a point of reference for the proposed study and as a tool for the Secretary-General and the oversight bodies to employ in measuring progress towards effective implementation of results-based management at the United Nations.

49. In 2005, the Unit issued its note *Review of the management of the United Nations laissez-passer* (JIU/NOTE/2005/2). The review disclosed a number of risks in the current handling of laissez-passer and made several recommendations to strengthen control over issuance and maintenance of those documents. The Unit is pleased that the United Nations Secretariat has established a task force under the responsibility of the Department of Safety and Security to address the issues raised. The Unit is represented as an observer on the task force and participates in its discussions. The task force has identified eight issues to be addressed initially. In-depth discussions are ongoing.

E. Relationship with other oversight bodies

50. As in previous years, a tripartite meeting was held with the Board of Auditors and OIOS. The meeting, hosted by the Board of Auditors, was held at the United Nations Office at Nairobi in connection with the annual meeting of representatives of internal audit services of United Nations organizations on 14 December 2006. The parties exchanged and discussed their workplans for 2007, ensuring that there is no overlap or duplication. They agreed to hold regular discussions throughout the year on the implementation of those workplans. They also agreed to exchange information emanating from risk assessments and management assessments in order to better address potential gaps in oversight. The meeting also discussed issues related to the introduction of Public Sector Accounting Standards in the United Nations, as well as third party audit requests that could jeopardize the single audit principle.

51. Generally speaking, dialogue between internal and external oversight bodies at the United Nations has become a continuous process. Regular contacts have been made with other oversight bodies, whether in the preparation of specific reports or in general efforts to define common areas of interest and identify possible duplication or overlap. There is a growing awareness that, while their mandates and functions are clearly distinct, the oversight bodies share the common objective of ensuring the most effective and efficient use of resources of the Organization and that together they should seek ways to contribute to that objective. The Unit is also promoting this type of dialogue with oversight bodies in other organizations of the United Nations system. In preparing the Unit's programme of work for 2007, the JIU secretariat sought information from the internal and external oversight bodies throughout the United Nations system on work recently completed and work planned in order to avoid any overlap.

F. Secretariat

52. The overall composition of the secretariat of the Joint Inspection Unit remains unchanged. During the reporting period, the secretariat had 19 posts as follows: one D-2 (Executive Secretary), two P-5 (Senior Research Officers), three P-4 (Research

Officers), three P-3 (Research Officers) and 10 General Service posts, none of which are assigned to support inspectors directly. Six Research Assistants are assigned to specific projects, while the four other General Service staff members provide administrative, information technology, documents management and other support to the Unit.

53. A new organizational structure was introduced in May 2006. The research staff is now grouped in clusters, consisting of one Senior Research Officer or Research Officer at the P-4 level, one Research Officer at the P-3 level and one Research Assistant at the G-5 or G-6 level. While Research Officers and Assistants continue to work under the functional guidance of the inspectors for a given project, they are simultaneously part of a cluster where they receive guidance, coaching and supervision from a more senior officer. Most support and quality assurance functions have been consolidated in a "Quality Assurance and Documents Management Group", headed by a Senior Assistant (G-7). This arrangement facilitates coordination between support functions, promotes teamwork and allows officers at the P-4 and P-5 levels to gain managerial experience.

54. In order to increase the professional research capacity of the Unit, and thus facilitate the timely and effective completion of projects, the Unit is requesting, in its budget proposals for the biennium 2008-2009, the conversion of two General Service posts to Research Officer posts at the P-3 level. This would also enhance the overall ratio of Professional posts to General Service posts in the JIU secretariat.

55. The Unit is in the process of filling one P-3 post by recruiting an Investigation and Inspection Officer. This is envisaged as a first step to creating an in-house investigative capacity, which would enable the Unit to conduct investigations as mandated by its statute (article 5, para. 1), as and when the need arises. A vacancy announcement was issued in September 2006.

56. In order to maintain and upgrade its skills, the secretariat prepared and implemented a training plan, providing staff members with the opportunity to spend up to 10 working days per year on staff development activities. In 2006, JIU staff members made extensive use of training opportunities offered by the United Nations Office at Geneva, in particular in core competencies, information technology and language training. Seven staff members completed a two-day course on project management. In addition, all staff members have completed two mandatory online training programmes, "Basic security in the field" and "Integrity awareness initiative". The Executive Secretary completed the leadership development programme offered through the Secretariat of the United Nations.

57. In 2006, the secretariat held its first staff retreat. Staff members used the occasion to share knowledge, lessons learned, best practices and research tools and to discuss methodology and management issues with the aim of improving the quality of the Unit's outputs as well as improving the overall work of the secretariat. Staff members were grouped in thematic teams, which presented topics related to evaluation and planning tools and internal working procedures. The event also served as a team-building exercise.

58. The Unit's expenditures for the first year of the biennium 2006-2007 amounted to $5,265,400, of which $5,046,300 (95.8 per cent) was for staff costs, $176,600 (3.4 per cent) for travel costs and $42,500 (0.8 per cent) for other, non-staff, costs.

Chapter II
Programme of work for 2007

59. In 2006, JIU decided to modify and advance its annual planning process in order to be able to submit future programmes of work to the General Assembly at an earlier stage. Accordingly, the Unit requested participating organizations to submit their proposals by the end of August 2006. All proposals received from participating organizations and internally, both from inspectors and from within the JIU secretariat, were subjected to a thorough screening and validation process, which took into account, inter alia, work done and planned by other internal and external oversight bodies, resource implications of the proposed review and timeliness for governing bodies and other recipients, as well as the potential of the review to contribute to enhanced effectiveness, efficiency, coordination and cooperation or to other impacts.

60. At its winter session, held from 28 November to 1 December 2006, JIU considered the proposals in detail, taking into account the request of the General Assembly that it focus on issues of system-wide interest, value and relevance to the efficient functioning of all organizations to which it provides services. The Unit adopted the programme of work for 2007, which contains 11 reviews. Four of those reviews are of a system-wide nature; three reviews concern several organizations (common services); and four reviews concern a single organization.

61. The early adoption of the work programme enabled the Unit to discuss in detail the planned reviews with the Board of Auditors and OIOS at the 14 December 2006 tripartite meeting, as well as to ensure that there is no overlap between the work planned by the Board, OIOS and JIU.

Common services

62. Two reports on common services have been included in the work programme, adding to the series of reports by the Unit on the operation and development of common administrative services by organizations of the United Nations system located at the same duty station. Previous reports in the series have examined United Nations system common premises and services in the field (JIU/REP/94/8); common services at United Nations Headquarters (JIU/REP/96/5); common services at Geneva (JIU/REP/98/4 and JIU/REP/2000/5); common and joint services at Vienna (JIU/REP/84/10 and JIU/REP/2002/12); and the issue of a common payroll for United Nations system organizations (JIU/REP/2005/4). The shared objective of these reports is to provide impetus for the development of common administrative services and a rational framework for their management in order to scale down overhead structures and costs and achieve more efficient and effective methods of programme delivery. By undertaking common services reviews concurrently, the Unit expects to benefit from certain synergies and cost efficiencies.

Common services at the United Nations Office at Nairobi

63. The United Nations Office at Nairobi provides common services to a significant number of United Nations entities located in Kenya. While the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat) are its main clients, there are at present more than 60 offices of United Nations funds, programmes and agencies in or operating

from Kenya, as well as offices of other international organizations. With a combined staff of over 3,000, the co-location of these entities offers considerable opportunities for common services provision. The report will review the United Nations common services project in Kenya, identify both best practices and areas for improvement and examine the scope for further expansion.

Common services at United Nations regional commissions

64. A review of common services provided by the United Nations regional commissions was proposed by the United Nations Secretariat. Given their size and the infrastructure and facilities in place, the regional commissions have the potential to provide administrative and other services to other United Nations system entities both in the country and in the region. In Bangkok, the Economic and Social Commission for Asia and the Pacific (ESCAP) has taken the lead in a number of new common services initiatives, resulting in improved service levels and cost savings, notably in the area of information technology training. This report will provide an overview of common services provided by the regional commissions, focusing on ESCAP, the Economic Commission for Africa (ECA) and the Economic Commission for Latin America and the Caribbean (ECLAC), with the aim of disseminating best practices and identifying further opportunities for the development of such inter-agency collaboration.

United Nations Humanitarian Air Service

65. In 2003, the United Nations High-Level Committee on Management agreed that WFP would be the lead agency for managing humanitarian air assets. To fulfil this new role, WFP established the United Nations Humanitarian Air Service, as a common service provider, tasked to provide passenger and cargo flights to all United Nations humanitarian agencies. In 2006, the Air Service was providing air support to 14 different United Nations operations, operating more than 100 planes and helicopters.

66. While WFP has been the largest user and supplier of humanitarian air services throughout the United Nations system for many years, the establishment of the United Nations Humanitarian Air Service has given WFP air services a new dimension, since it is no longer serving only WFP needs, but providing common services to the entire humanitarian community. The number of air operations managed by WFP has increased accordingly over recent years, while other agencies have discontinued their own air services (for example, UNHCR). It is expected that there will be an in increase in the number of operations run by WFP in the future.

67. The review will assess issues such as: governance; norms and rules of operation; conformity with air safety standards; flexibility in meeting users' needs; funding arrangements, including cost sharing; and the evaluation and quality assurance system and client satisfaction. The review will also take into account the air services operated by the United Nations Department of Peacekeeping Operations in many peacekeeping missions as well as civil and military aircraft services provided by Member States in large-scale emergencies.

Review of management and administration in the International Maritime Organization

68. As part of its series of reviews of management and administration, JIU will review the management and administration in the International Maritime Organization (IMO). The review will focus on: governance; organizational structure and executive management; information management; and oversight. The review will also follow up on a review of the IMO secretariat undertaken in 2000-2001 by an external consultant, which covered the main functions of the secretariat and resulted in a total of 39 recommendations. JIU will, inter alia, review the implementation of those recommendations.

Review of management and administration in the World Tourism Organization

69. The World Tourism Organization, the youngest member of the United Nations system, became a specialized agency in 2003. Membership in the Organization is open to entities from the operating sector, and various methods of cooperation among the members are promoted. In 2006, the membership consisted of 150 States, 7 territories and more than 300 affiliate members, representing the private sector, educational institutions, tourism associations and local tourism authorities.

70. The review aims at assessing how well the organization has adapted its financial, human resources and other policies and practices to the standards and rules of the United Nations common system.

The national competitive examination as a recruitment tool

71. The national competitive examination is an important recruitment tool of the United Nations. Staff members at the P-2 level are almost exclusively recruited from among candidates who have passed this exam. Annually, on average, more than 13,000 applications are received, of which approximately 2,500 candidates are admitted to take the exam. About 120 candidates pass the exam every year. Approximately 70 to 100 P-2 posts become available every year for recruitment.

72. Success in the national competitive examination has far-reaching consequences, since those recruited are granted, after a probationary period, permanent appointments. While the exam is supposed to be the main vehicle for improving the geographical balance in the representation of Member States, current recruitment modalities have resulted in the recruitment of a certain number of candidates from overrepresented Member States (in 2004-2005 this amounted to 30 per cent of candidates recruited).

73. Given the importance of the examination, the review aims at assessing whether the current modalities for the examination (consisting of a written exam and a panel interview) are still adequate and reflect state-of-the-art recruitment practices, or whether other alternative or additional selection methods are required (for example, an assessment centre or team discussions).

74. The review will also compare the national competitive examination with examination-based recruitment systems in other international organizations in order to identify best practices.

Funding and staffing of the Office of the United Nations High Commissioner for Human Rights

75. As stated in paragraph 22 above, the General Assembly, in its resolution 61/159, requested JIU to assist the Human Rights Council to "systematically monitor the implementation" of that resolution, inter alia, by submitting to the Council a follow-up comprehensive report on the implementation of the recommendations contained in the JIU report (JIU/REP/2006/3). These recommendations were the result of two JIU reviews on the functioning of the Office of the United Nations High Commissioner for Human Rights (OHCHR), which concentrated on managerial issues. As a result of the work carried out during those reviews, the inspectors found that there were still some issues that deserved the attention of Member States. Three issues will be explored in the upcoming review: ways to improve the budget process of OHCHR; the impact of voluntary contributions on the work of OHCHR; and an update on measures taken by OHCHR to redress the serious imbalance in the geographical distribution of staff at the professional and higher levels. In discharging the mandate of the General Assembly, JIU will monitor progress and issue an interim report to the Human Rights Council at the end of 2007, to be followed by a full and comprehensive report to the same body in May 2009, as mandated by the General Assembly.

Special Representative of the Secretary-General and United Nations Resident Coordinator

76. In November 2006, the High-level Panel on System-wide Coherence submitted its report to the Secretary-General (see A/61/583). In the report, entitled "Delivering as One", the High-level Panel made a series of recommendations designed to coordinate the field operations of the United Nations system in order that they function in a coherent manner when delivering developmental, environmental and humanitarian assistance. The report did not specifically address the increasingly important need to ensure coherence between the work of the United Nations system in the areas of peacebuilding and peacekeeping or the work being done in the field by the United Nations system in other areas. Previous work done by JIU on results-based management in peacekeeping operations seems to indicate that the current situation affects not only the effective delivery of programmes and the achievement of objectives, but may also result in duplication of efforts and have cost implications. While there have been efforts to achieve coherence and support between these components, more needs to be done. This review will focus on making recommendations to address some of the outstanding effectiveness and efficiency issues.

Corporate consultancies in United Nations system organizations

77. The organizations of the United Nations system make regular use of corporate consultancies, and in many organizations of the system this has been an increasing trend in recent years. Corporate consultancies generally involve a significant amount of expenditure.

78. Proper justification of the need for consultancies, transparency of the contracting process, fair competition, broad participation in the bidding process, evaluation of the quality of service and of the benefits achieved, adequate internal

controls and oversight are some important elements that ensure an efficient and effective use of resources in this area.

79. The review will assess the policies and practices of the organizations of the United Nations system governing the use of corporate consultancies, with a view to making recommendations to improve efficiency, accountability and transparency in this area.

Corporate sponsoring in organizations of the United Nations system

80. In recent years, most organizations of the United Nations system have begun to work more closely and frequently with the business community, making increasing use of corporate sponsorship for various activities and projects. However, a comprehensive framework or set of guidelines regarding this issue does not yet exist. Guidelines concerning the acceptance of pro bono goods and services, which apply to the United Nations Secretariat and, to some extent, to its funds and programmes, only partially cover the issue of sponsoring. Furthermore, these guidelines focus on defining the legal restrictions and conditions for accepting pro bono services but do not provide guidance for actively seeking and managing sponsorships. The opportunities and risks inherent in accepting offers of financial contributions, goods and services may not always, therefore, be properly managed.

81. The review will assess current policies and practices. It aims at identifying key principles for the use of corporate sponsorship; areas that require adoption of policies and guidelines; and practices that may cause conflicts of interest or areas where corporate sponsorship would be detrimental to the United Nations. The review will thus identify best practices, both within and outside the United Nations system, which could be emulated by all organizations of the common system.

Headquarters agreements and other host country agreements: compliance issues

82. In 2004 JIU issued JIU/REP/2004/2, *Review of headquarters agreements concluded by organizations of the United Nations system: human resources issues affecting staff*. In 2006, JIU issued JIU/REP/2006/4, *A second review of headquarters agreements concluded by United Nations system organizations: provision of headquarters premises and other facilities by host countries*. Since that time, the Unit has received information on alleged measures by some countries and/or institutions contractually linked to the United Nations indicating violations of such agreements.

83. The review will assess the degree of compliance with headquarters agreements and, to the extent possible, other host country agreements to ascertain whether they are applied without discrimination among staff members and other officials, and whether the organizations have established mechanisms for protecting the privileges and immunities of their officials. The review will also determine cases where the privileges and immunities of the organizations are not respected, and which have resulted in financial losses to, or other serious consequences for, the organizations.

Annex I

Composition of the Joint Inspection Unit

1. The composition of the Unit for 2006 was as follows (each member's term of office expires on 31 December of the year indicated in parentheses):

M. Deborah **Wynes** (United States of America), Chairperson (2007)

Juan Luis **Larrabure** (Peru), Vice-Chairperson (2008)

Gérard **Biraud** (France) (2010)

Papa Louis **Fall** (Senegal) (2010)

Even **Fontaine Ortiz** (Cuba) (2007)

Tadanori **Inomata** (Japan) (2009)

Istvan **Posta** (Hungary) (2010)

Guangting **Tang** (China) (2007)

Cihan **Terzi** (Turkey) (2010)

Victor **Vislykh** (Russian Federation) (2007)

Muhammad **Yussuf** (United Republic of Tanzania) (2007)

2. In accordance with article 18 of its statute, which provides that each year the Unit shall elect from among the inspectors a Chairperson and Vice-Chairperson, the Unit unanimously elected M. Deborah Wynes (United States of America) as Chairperson and Juan Luis Larrabure (Peru) as Vice-Chairperson for the calendar year 2006.

Annex II

List of participating organizations and their percentage share in the cost of the Joint Inspection Unit in 2006

United Nations[a]	31.7
World Food Programme	10.0
United Nations Development Programme	14.7
United Nations Population Fund	2.6
United Nations Office for Project Services	0.5
United Nations Children's Fund	9.6
International Labour Organization	3.4
Food and Agriculture Organization of the United Nations	5.8
United Nations Educational, Scientific and Cultural Organization	4.4
International Civil Aviation Organization	1.1
World Health Organization	7.8
Universal Postal Union	0.3
International Telecommunication Union	1.3
World Meteorological Organization	0.6
International Maritime Organization	0.4
World Intellectual Property Organization	1.2
United Nations Industrial Development Organization	1.5
World Tourism Organization	0.1
International Atomic Energy Agency	3.0

[a] Includes the United Nations Secretariat, the United Nations Environment Programme, the United Nations Conference on Trade and Development, the United Nations Human Settlements Programme (UN-Habitat), the International Trade Centre, the United Nations Institute for Training and Research, the United Nations Relief and Works Agency for Palestine Refugees in the Near East, the United Nations Office on Drugs and Crime and the Office of the United Nations High Commissioner for Refugees.

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